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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
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| 09/899,369 | 07/02/2001 | Aziz Valliani | A-70469/MAK/LM | 2759 |
| 30636 | 7590 | 03/07/2006 | EXAMINER | |
| FAY KAPLUN & MARCIN, LLP | | | KRAMER, JAMES A | |
| 150 BROADWAY, SUITE 702 | | | ART UNIT | |
| NEW YORK, NY 10038 | | | PAPER NUMBER | |

3627

DATE MAILED: 03/07/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

| | | | |
|------------------------------|--------------------------------------|--|--|
| Office Action Summary | Application No. 09/899,369 | Applicant(s) VALLIANI ET AL. | |
| | Examiner James A. Kramer | Art Unit 3627 | |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 29 December 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-14 and 16-26 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-14 and 16-26 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-14 and 17-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Storey in view of Walker et al.

Storey teaches identifying the purchase of the first product of a first company by a particular consumer at a first point-of-sale terminal (see for example column 4, lines 59-64) and storing an indication of the purchase of the first product in a database on the server (see for example column 2, lines 31-34). Examiner notes that in order to be instantly redeemable the indication of the purchase must be store in a database.

Storey further teaches at the first company, conditioning the grant of a discount for a second product at a second company on the purchase of the first product at the first company (see for example column 5, lines 50-53). Examiner notes that by storing the points in the user's account, the system conditions the grant of a discount.

Storey further teaches at the second company, offering for sale the second product if the particular consumer makes a purchase of the first product and at the second company querying the database to determine if the particular consumer has purchased the first product and standing ready to accept the discount on the second product (see for example column 8, lines 8-67).

With respect to claim 1, Storey does not specifically teach calculating and recording an amount of cross-marketing revenue realized from the first purchase to a marketing fund account in the database and allocating at least a portion of the cross-marketing revenue in the fund to reimburse the second company for the discount.

Walker teaches calculating and recording an amount of cross-marketing revenue realized from the first purchase to a marketing fund account in the database and allocating at least a portion of the cross-marketing revenue in the fund to reimburse the second company for the discount. (see for example column 10, lines 22-67).

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the system of Storey in order to calculate and record an amount of cross-marketing revenue realized from the first purchase to a marketing fund account in the database and allocate at least a portion of the cross-marketing revenue in the fund to reimburse the second company for the discount as taught by Walker. One of ordinary skill in the art would have been motivated to modify the references as discussed in order to automate the reconciliation process thereby making it easier for merchants to track large numbers of transactions (see for example Walker column 3, lines 29-30).

Storey further teaches at a third company, conditioning the grant of a second discount for the second product at the second company on the purchase of a third product at the third company and at the second company, standing ready to accept the second discount on the second product, wherein the step of selling comprises accepting the discount and the second discount on the second product (see for example column 1, lines 42-59 and column 4, lines 24-45).

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Examiner notes that Storey specifically teaches points awarded based on purchases made at multiple companies (1st and 3rd company) which can be combined in order to make the discounted purchase at the second company. Examiner notes that this feature represents this claimed limitation.

Claim 16 is rejected under 35 U.S.C. 103(a) as being unpatentable over Deaton et al. in view of Walker.

With respect to claim 16, Deaton teaches at a company, identifying the purchase of a first product of a first department by a particular consumer at an electronic sales terminal and storing an indication of the purchase of the first product in the database on the server (see for example column 69, lines 53-56). Examiner specifically notes the determination of whether a product has been purchased from the meat department, dairy department or deli.

Deaton further teaches presenting consumers with discounts on further purchases based on past purchasing history (see for example column 69, lines 59-61), as well as offering for sale a second product and standing ready to accept the discount at the same or different one of the plurality of sales terminals on the second product (Examiner notes that this merely amounts to accepting the coupon at the store).

Examiner points out that the specific examples of Deaton illustrate situations the discount is provided to the user based upon infrequent shopping in a department with the goal of enticing a shopper to visit and purchase products from a department they wouldn't regularly visit (see for

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example column 69, lines 61-67). As such Deaton fails to specifically teach conditioning the grant of a discount for the second product at a second department on a purchase of a first product at a first department.

Walker, as previously discussed teaches presenting users with offers for supplementary products (“upsells”) in order to individually customize offers to be more desirable and acceptable to each customer (see for example column 3, lines 30-39).

It would have been obvious to one of ordinary skill in the art at the time of the invention modify the discount offers taught by Deaton to include “upsell” products as taught by Walker. One of ordinary skill in the art would have been motivated to modify the references in order to individually customize offers to be more desirable and acceptable to each customer.

Examiner notes that one of ordinary skill would recognize that the combination of Deaton in view of Walker as presented above would clearly include conditioning the grant of a discount for the second product at a second department on a purchase of a first product at a first department. By way of simple example, Examiner offers providing a user with a discount (“upsell”) on hot dog buns (bakery department) upon the purchase of hot dogs (meats department).

Deaton further teaches crediting an account of the consumer maintained on the server with the discount (see for example column 73, lines 25-30). Examiner notes that providing the coupon to the consumer represents “notifying the consumer of the discount”. Further, in order to track which coupons a consumer has used the system must store an indication of the coupon (discount) in an account on a server.

Examiner notes that Deaton does not teach depositing money into an account on the server for the benefit of the second department in at least partial compensation for accepting the discount wherein the money deposited into the account for the benefit of the second department amounts to a predetermined percentage of revenue realized from the purchase of the first product.

Examiner once again relies on Walker, as discussed in detail above with respect to supplementary product offerings or “upsells”. Further, Walker teaches compensation paid as a result of issuing a discount on a second product based on the purchase of a first product (see column 10, lines 22-60). In this example a user pays 4.50 in return for \$5 off a future purchase. The \$4.5 (predetermined amount of money) is deposited into an account for the benefit of the second company.

It would have been obvious to one of ordinary skill in the art at the time of the invention modify the teaching of Deaton to include the reconciliation process of Walker in order to compensate the second company for issuing the discount.

Response to Arguments

Applicant's arguments filed 1/29/05 have been fully considered but they are not persuasive.

Applicant asserts, in the last paragraph on page 9 (continuing to page 10) that Walker does not disclose or suggest, “calculating and recoding an amount of cross-marketing revenue realized from the first purchase to a marketing-fund account in the database and allocating at least a portion of the cross-marketing revenue in the fund to reimburse the second company for

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the discount”. Applicant attempts to support this statement by claiming that 1) there is no collaboration between merchants as evidence by Walker, col. 3 lines 7-11, and 2) the arrangement of Walker has none of the characteristics of a cross-marketing arrangement because unlike the present invention it is not possible for the customer to take advantage of promotional offers to purchase items that he would potentially purchase elsewhere.

Examiner respectfully disagrees with Applicant. First Examiner notes that while Walker does state that the merchants need not specifically register or affiliate with each other (see Walker, col.3 lines 7-11) this does not mean that no relationship exists. In fact the merchants do have to register with credit card company and there for a collaboration exist via this third party. So while no specific one-to-one affiliation exist, the companies are still affiliated, as they are all required to be registered with the credit card company. Further, Examiner points out that Applicant’s claimed invention does not require there to be a specific one-to-one affiliation. In fact the only “affiliation” in the claimed invention must be read into the claim based on “cross-marketing revenue” recorded into “a marketing fund account.” However, when giving the claims the broadest reasonable interpretation, Examiner does not read into the claims this “affiliation” and as such believes Walker does teach the recited limitations.

With respect to Applicant’s second point, that Walker has none of the characteristics of Applicant’s cross-marketing arrangement and therefore does not teach cross-marketing revenue, Examiner once again respectfully disagrees. Examiner begins by noting that a customer of the system of Walker might not take advantage of promotional offers to purchase items that he/she would potentially purchase elsewhere. However, this is not relevant. Examiner takes that position that such a result is not the only arrangement that defines a cross-marketing affiliation.

www.marketconscious.com defines cross-marketing as “creating marketing incentives in partnership with other non-competing businesses.” As this is clearly the arrangement of Walker, Examiner believes that Walker does teach cross-marketing revenues.

Further, as pointed out above, since the specifics of Applicant’s cross-marketing alliance are not part of the claimed invention, Examiner is free to give the claims the broadest reasonable interpretation. Under this interpretation, Examiner believes the claimed invention is obvious in view of the combination of Storey in view of Walker.

In the second paragraph on page 10 Applicant asserts within Walker “the merchant does not ‘allocate at least a portion of the cross-marketing revenue in the fund to reimburse the second company for the discount’ as recited in claim 1”. Examiner notes that Applicant has once again read more into the claim than is really there. Specifically, the claim does not require “the merchant” to do any allocating. The claim merely states, “allocating”. It is the Examiner’s position that the allocating of Walker is in fact done when the 2nd merchant receives his/her compensation (cross-marketing revenue). In addition, it appears that Applicant is reading more into the claim with respect to “a marketing fund” (line 14). Applicant appears to believe that this is more than just a generic account in a database, as would be the broadest reasonable interpretation.

In the paragraph spanning pages 10-11 Applicant asserts that Examiner has misinterpreted the Walker reference. Specifically it is the position of the Applicant that the \$4.50 is not realized from the first purchase but rather is part of a second transaction and is part of a

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transaction in and of itself. Examiner respectfully disagrees. First, the user receives a \$5 store credit for \$4.50. So even if this were a 2nd transaction, a discount is offered conditioned on the 1st transaction. Secondly, it is the position of the Examiner that the 2nd purchase does not occur until the user actually receives his/her goods or services. The exchange of money between the customer and the 1st merchant represents the 1st purchase.

In the second paragraph on page 11 through the second paragraph on page 12 Applicant asserts that claims 13 and 17 are similarly traversed as discussed with respect to claim 1.

Examiner notes this and references Examiner's position (discussed in detail above) with respect to claim 1 for both claims 13 and 17.

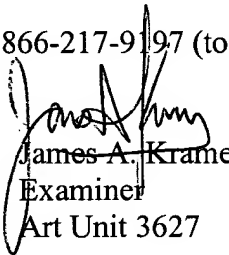
In the remaining paragraphs Applicant traverses the rejection to claim 16. In particular, in the last paragraph on page 13, Applicant states, "as discussed above with reference to claim 1, the Walker patent fails to disclose or suggest 'allocating at least a portion of the cross-marketing revenue in the fund to reimburse the second company for the discount.'" Applicant is making applying the same argument made above, with respect to Applicant. As such Examiner believes the Office's position is clear with respect to this issue and references the response to these arguments made in the preceding paragraphs.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to James A. Kramer whose telephone number is (571) 272 6783. The examiner can normally be reached on Monday - Friday (8AM - 5PM).

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272 6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

 2/28/06
James A. Kramer
Examiner
Art Unit 3627

JAK